From: Michael.McAdams@hklaw.com Sent: Thur 3/27/2014 2:21:25 PM

Subject: RE: List of participants for tomorrow

Paul: I totally understand not problems. Lots going on and we all just have to do the best we can given all the balls in the air. Appreciate the opportunity to discuss the issue. I am trying to control several of my guys in this meeting. Got to let them go a bit but will work them around to finding a solution that fits all the parties including EPA. See you at 330.

Michael McAdams | Holland & Knight

Sr Policy Advisor 800 17th Street, NW Suite 1100 | Washington DC 20006 Phone 202.469.5140 | Fax 202.955.5564 michael.mcadams@hklaw.com | www.hklaw.com

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From: Argyropoulos, Paul [mailto:Argyropoulos.Paul@epa.gov]

Sent: Thursday, March 27, 2014 10:07 AM **To:** McAdams, Michael J (WAS - X75140) **Subject:** RE: List of participants for tomorrow

Thanks Mike. Just a heads up. Chris, unfortunately, will not be participating in the meeting this afternoon. However, Byron, Bill and I will all be in attendance and possibly Karl by phone (he is home sick). Just between you and I, circumstances have not allowed us to get with Chris in any detail on the issue and he would prefer to meet with you again at a later date after we can brief him further. Sorry.

Paul Argyropoulos

Senior Policy Advisor

US EPA

Office of Transportation and Air Quality

Phone: 202-564-1123

Mobile: 202-577-9354

Email: argyropoulos.paul@epa.gov

Web: www.epa.gov

From: Michael.McAdams@hklaw.com [mailto:Michael.McAdams@hklaw.com]

Sent: Wednesday, March 26, 2014 3:58 PM

To: Argyropoulos, Paul; Simon, Karl **Subject:** List of participants for tomorrow

Paul and Karl: Here is the crew:

Michael McAdams, President ABFA

Glenn Johnston, Executive Vice President, Gevo

Phillip Caplan, Director, Ensyn

Chris Higby, Government Relations, Honeywell

Tim Zenk, Senior Vice President, Sapphire

Guetta Mezzetti, Consultant, Solazyme

Troy Hilliar, Consultant, Kior

Ken Markowitz, Counsel, Ensyn

I am expecting Karl Donges, VP Business Development, Sweetwater and perhaps two others.

Thanks, we all look forward to our discussion tomorrow.

Michael McAdams | Holland & Knight

President, ABFA

Sr Policy Advisor 800 17th Street, NW Suite 1100 | Washington DC 20006 Phone 202.469.5140 | Fax 202.955.5564 michael.mcadams@hklaw.com | www.hklaw.com

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From: Lindsay Fitzgerald

Sent: Wed 3/26/2014 4:28:40 PM

Subject: good times...

http://thegazette.com/2013/10/04/future-murky-at-waste-to-energy-plants-in-hopkinton-cedar-rapids/

Lindsay Fitzgerald

Director, Regulatory Affairs

National Biodiesel Board

O: (202) 737-8801

C: (610) 639-0048

lfitzgerald@biodiesel.org

www.biodiesel.org

To: Birgfeld, Erin[Birgfeld.Erin@epa.gov]; Atkinson, Emily[Atkinson.Emily@epa.gov]; Drinkard,

Andrea[Drinkard.Andrea@epa.gov]

Cc: Argyropoulos, Paul[Argyropoulos.Paul@epa.gov]; Grundler,

Christopher[grundler.christopher@epa.gov]

From: Brian Jennings

Sent: Mon 3/24/2014 6:32:02 PM Subject: letter on ethanol rail congestion

ACE Rail Letter to STB 3.24.14.pdf

All,

We're grateful Janet McCabe will be meeting with our fly-in group Tuesday morning, and we wanted to provide you with a copy of a letter we sent to the Surface Transportation Board today. We are concerned oil interests will exploit the temporary increase in ethanol prices and tight supplies in some terminals caused by rail congestion as yet another excuse to reduce or repeal the RFS, and we wanted to set the record straight.

Thanks and please let me know if you have any questions.

Brian

Brian Jennings, Executive VP

American Coalition for Ethanol

Ph: 605-334-3381 ext. 12

bjennings@ethanol.org

Twitter: @BiofuelBrian



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March 24, 2014

The Honorable Daniel Elliott III Chairman Surface Transportation Board 395 E Street, SW Washington D.C. 20423

Dear Chairman Elliott:

On behalf of the 600 members of the American Coalition for Ethanol (ACE), I write today urging the Surface Transportation Board (STB) to take additional steps to address unreliable rail service hurting the transportation of U.S. grain and fuel ethanol.

Founded in 1987, ACE is the grassroots voice of the U.S. ethanol industry, uniting ethanol producers, farmers, consumers, agriculture and commodity groups, cellulosic and advanced biofuel companies, rural electric cooperatives, Main Street businesses, and grassroots individuals in support of our mission to make American ethanol the consumer fuel of choice.

Over the last decade, the ethanol industry has become an important customer of the rail sector. Thanks to ethanol's favorable blending economics (it is more economical to make a gallon of ethanol from corn today than it is to make a gallon of gasoline from crude oil) and the Renewable Fuel Standard (RFS), virtually every gallon of gasoline in the U.S. contains ten percent ethanol. The vast majority of ethanol is produced in the Midwest (Petroleum Administration for Defense District II) and transported by rail to the East and West Coasts for blending with gasoline. In fact, railroads today account for approximately 70 percent of ethanol transport. In addition, much of the nearly 40 million metric tons of distillers' grain, an affordable high-protein livestock feed made by U.S. ethanol plants, is also shipped via rail.

Reliable and timely rail service is vital for U.S. consumers. According to economists at the University of Wisconsin and Iowa State University, ethanol reduced wholesale gasoline prices by an average of \$1.09 across the U.S. in 2012. Without ethanol, household spending on gasoline would increase by \$1,200 for the typical American family.

Unfortunately, during most of 2014, railroads have failed to provide reliable and timely service for ethanol and grain traffic. As a result, ethanol supplies have tightened in key destinations and ethanol prices have experienced a temporary rise, particularly on the East Coast.

Our ethanol producer members have reported serious ongoing rail service disruptions such tank cars not arriving on time, rail companies providing inadequate numbers of tank cars, and loaded cars sitting at ethanol plants for 15 to 20 days or longer before rail companies supply locomotive power to move them to destination. As a result, storage tanks at many ethanol plants are full and producers are being forced to slow production or even

5000 S. Broadband Lane, Suite 224 Sioux Falls, SD 57108

605-334-3381

ethanol.org

temporarily shut down as they wait for rail congestion to be addressed so that ethanol can be shipped to market on time.

We applaud the STB for taking steps to hold railroad companies accountable for failing to meet the needs of shippers such as ethanol producers and farmers who depend upon reliable rail service. Your meeting between representatives of the STB's Rail Customer and Public Assistance program and impacted sectors in Fargo, North Dakota on March 26 will help all parties understand the scope of this problem. Additionally, STB's February 5, 2014 letter to BNSF expressing concern about the deterioration in its service and request that they detail plans to return to appropriate levels was an important step in highlighting the snags are caused by the rail sector and not those who rely on it.

ACE members appreciate the STB going on record to make clear that the problems are a result of inadequate rail service and not shippers such as ethanol producers. However, if the bottlenecks are not addressed in a timely manner, we are concerned that oil companies will exploit the temporary rail-driven rise in ethanol prices to lobby for repeal or reduction of the RFS. This would be remarkably cynical, since reports suggest increased shipments of crude oil are likely a primary cause of the congestion, but oil companies have proven they will do or say anything to avoid competing with ethanol. As long as rail logjams are fixed, U.S. ethanol producers are capable of producing nearly 15 billion gallons of ethanol this year, far in excess of the requirements of the RFS for 2014.

While we recognize some of the rail problems are the result of winter weather, we are very concerned by reports railroads may be keeping up with crude oil shipments at the expense of ethanol and agricultural commodities. While grain shippers have been reliable customers of the railroads for generations and ethanol producers have become important customers in the last decade, crude oil shipments were virtually non-existent just a few years ago. In 2009, Class 1 railroads moved less than 11,000 cars of crude oil. But in 2013, that number increased to nearly 400,000 carloads. To the point in your February letter to BNSF, we want to better understand whether shipments of ethanol, grain, and distillers' grain are being delayed in favor of crude oil shipments.

Thank you for your time and attention to this important matter. Again, we support the steps the STB has taken to date, but we encourage you to more rapidly work with railroads to improve service for ethanol and agricultural commodities. We look forward to helping you understand the impacts of this disruption and hope that you can help quickly resolve it.

Sincerely,

Brian Jennings, Executive Vice President American Coalition for Ethanol (ACE)

cc: Joseph Szabo, Administrator, Federal Rail Administration
Janet McCabe, Assistant Administrator, Environmental Protection Agency
Tom Vilsack, Secretary, United States Department of Agriculture

From: Michael.McAdams@hklaw.com
Sent: Fri 3/21/2014 5:11:16 PM
Subject: Re: Couple questions.

Thanks Paul. I had forgotten it wasn't already approved.

Our meeting is in your building march 27th from 330 to 430. Have a great weekend.

Sent using BlackBerry

From: Argyropoulos, Paul [mailto:Argyropoulos.Paul@epa.gov] **Sent**: Friday, March 21, 2014 01:05 PM Eastern Standard Time

To: McAdams, Michael J (WAS - X75140)

Subject: Re: Couple questions.

Planted trees aren't approved for anything yet and until they are they can't be used as a feedstock. Gasification of approved biomass like tree residues and pre commercial things is approved as are any processes. We can do a call in number but can you remind me the day and time of the meeting?

Paul Argyropoulos Senior Policy Advisor US EPA

Office of Transportation and Air Quality Mobile: 202-577-9354

For our meeting next week if some of my companies can not make it in person can we arrange so they can call in?

Second looking in some of the approved pathways for gasification I noticed that planted trees are not mentioned in the feedstock boxes. Does it have to be added by petion or could it be done in the pathways two rule. Thanks

Look forward to seeing you next week.

Sent using BlackBerry

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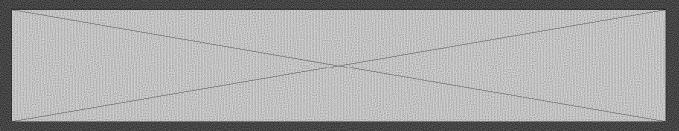
To: From: Sent: Subject:	Argyropoulos, Paul[Argyropoulos.Paul@epa.gov] Michael.McAdams@hklaw.com Fri 3/21/2014 4:58:41 PM Couple questions.
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From: BIO World Congress
Sent: Fri 3/21/2014 12:39:43 PM

Subject: You're Invited to Biopolymers 2014 – Co-Located with the BIO World Congress



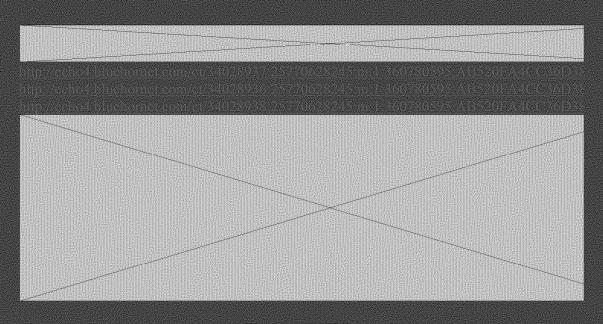
Collocated with the BiO World Congress on Industrial Biotechnology, the Biopolymers Symposium 2014 will bring together organizations like Corbion Purac ecosyC. Green Blue the Vancouver Aquarium. Unisource Global, BASF and International Paper to share their experiences and knowledge to help you expand your markets.

Join your biobased industry colleagues in Philadelphia for Biopolymers and the BIO World Congress on Industrial Biotechnology! Attendees of the BIO World Congress will receive a code at the end of the BIO World Congress online registration providing a special \$899 registration code for the Biopolymers Symposium.

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- Want to know about the latest innovations in processing and performance? VTT, Green Centre Canada, Braskem, and Cathay Industrial Biotech will share examples of competitiveness against shale-gas fed petrochemicals; new catalytic process to derive high value PLA; opportunities and challenges for bio-based polyethylene; and renewable based nylons.
- Are you missing out on broader market opportunities for biopolymers including their use as adhesives, coating additives, rheology modifiers and absorbents? Get up to speed on new applications from CelluForce, BYK USA, Yulex and CP Kelco.

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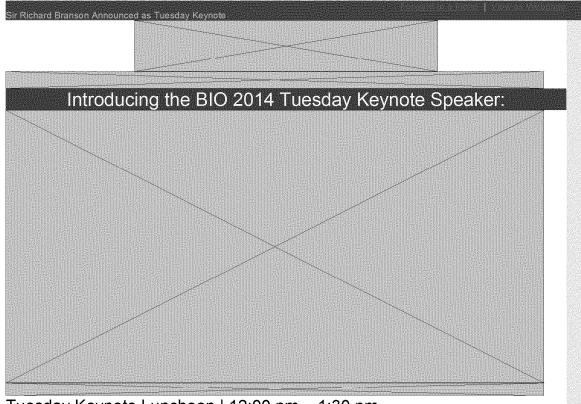
Biotechnology Industry Organization 1201 Maryland Avenue, SW Suite 900 Washington, DC 20024 202.962.9200 (p) 202.488.6301 (f)

This message was intended for: argyropoulos paul@epamad.apa.gov You were added to the system January 30, 2009. For more information this hore.

From: Wendy Siminski

Sent: Thur 3/20/2014 3:55:53 PM

Subject: Sir Richard Branson to Keynote BIO 2014



Tuesday Keynote Luncheon | 12:00 pm – 1:30 pm

An incredibly successful (and unconventional) entrepreneur, Richard Branson is founder of the Virgin Group. Today, Virgin is one of the world's most irresistible brands and has expanded into diverse sectors such as air and rail travel, leisure and hospitality, telecommunications, health and wellness, and space travel in 50 countries with revenues of \$24B.



Jim Greenwood President & CEO, BIO

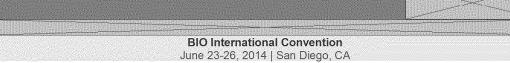
In his trademark charismatic and honest style, Richard will share the inside track on some of his greatest achievements in over forty years in business as well as the lessons he has learned from his setbacks. He will tell the story behind the launches of his Virgin brands, including conquering new frontiers in space with the world's first commercial spaceline, Virgin Galactic. He will also share his thoughts on the changing face of the global economy and how businesses worldwide need to work together to tackle environmental challenges and invest in the future of our world.

During the Tuesday Keynote Luncheon:

International BioGENEius Challenge Awards Presentation

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Biotechnology Industry Organization 1201 Maryland Avenue, SW Suite 900 Washington, DC 20024 202.962.9200 (p) 202.488.6301 (f)

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To: Argyropoulos, Paul[Argyropoulos.Paul@epa.gov]; Camobreco,

Vincent[Camobreco.Vincent@epa.gov]

Cc: Wayne.Simmons@sundropfuels.com[Wayne.Simmons@sundropfuels.com]

From: Michael.McAdams@hklaw.com Sent: Wed 3/19/2014 2:54:45 PM

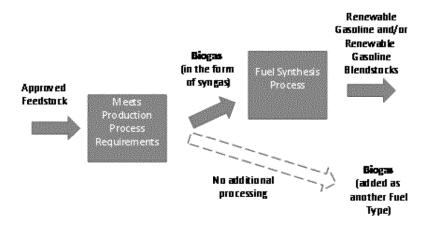
Subject: Pathways 2 rule

image001.emz

Current M Pathway.pptx

Paul, Vince: Hope you are well. I am attaching a flow diagram from Sundrop Fuels which identifies an opportunity we wanted to bring to your attention. In looking at the pathway list we wanted to know whether there may be an opportunity in light of your new priorities to amend the pathways list to include biogas as a fuels type on the chart for pathway M. Allowing them this additional option could actually potential facilitate more available biogas for RIN production since their facility is located directly next to the natural gas pipeline. We are unclear, whether the current listing which only mentions renewable gasoline would allow this option without further regulatory action. Below you will find the diagram which is also attached. The blude boxes represent the currently approved Pathway M. We have added the arrow which designates the process flow diagram representing the biogas route eliminating the fuels processing piece. Thanks for your consideration. Happy to answer any questions.

Current "M" pathway



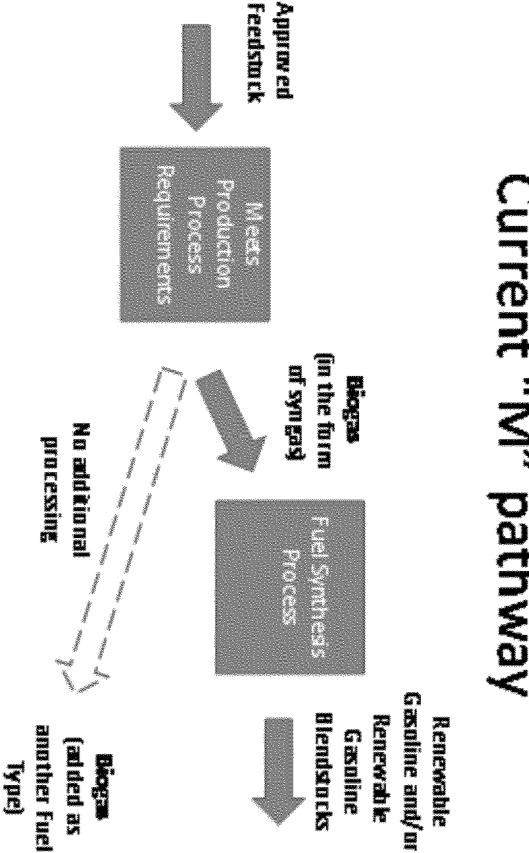
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Current "M" pathway



From: Michael.McAdams@hklaw.com Sent: Fri 3/14/2014 3:29:18 PM

Subject: Meetings.

Paul: Wayne Simons is in town next week, and would love to visit with you on whether his ability to use his currently approved process could simply take the syngas and sell it as biogas under the pathways two rule. He comes in Tuesday night and leaves Thursday. Any news on the meeting request, thanks.

Michael McAdams | Holland & Knight

President, ABFA
Sr Policy Advisor
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To: Argyropoulos, Paul[Argyropoulos.Paul@epa.gov]
Cc: gjohnston@gevo.com[gjohnston@gevo.com]

From: Michael.McAdams@hklaw.com Sent: Tue 3/11/2014 6:06:56 PM

Subject: intermediate feedstock considerations Facility Memo - 11 29 13 Draft-v5 (2).docx

Paul: As we have previously discussed a number of the ABFA members are concerned that rule dealing with intermediate feedstock could pose unintended negative consequences. We are extremely supportive of the QAPS process and believe that answers to some of these concerns may actually lie within QAPS process. For this reason we would request a meeting with the appropriate team at EPA including Mr. Grundler, Bunker, Simon, Machiele, yourself. On the ABFA side we are attempting to limit the meeting to a representative of each type of potentially impacted process, Algae oil, Hydro processing, synthetic biology, pyrolysis, etc.

We had originally discussed the week of March 24, but I am certain our folks would be as prepared to fly to Ann Arbor as to DC. Could you please inquire whether the 26th and 27th of March would present an appropriate time for a conversation. I have attached our earlier brief to EPA for further review. Thank you for your consideration.

Michael McAdams | Holland & Knight

President, ABFA
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MEMORANDUM

TO: ABFA Regulatory Affairs Working Group

FROM: Mike McAdams

Date: December 10, 2013

RE: Recommended Approach to Approved Renewable Biomass Feedstock

Adaptations Without the Need for New Pathways

This memorandum responds to in-person comments from EPA staff and the language in EPA's recently issued Notice of Proposed Rulemaking for the 2014 Renewable Volume Obligations (RVO Notice) that asserts that producers of renewable fuel would not be entitled to generate Renewable Identification Numbers (RINs) on their production unless the pre-processing of the renewable biomass and final upgrading of the fuels are co-located at the same facility. This EPA interpretation is unsupported by the original legislation and, if adopted in the final regulations, would have broad implications across the entire renewable fuels industry, including for the production of drop-in renewable gasoline, cellulosic diesel and jet fuels, and algal-based fuels, and, ultimately would substantially impede the success of the renewable fuel standards (RFS) program.

Based on our review of the EPAct 2005, as amended by EISA in 2007, 42 USC § 7545(o), and EPA's regulations implementing the RFS 40 CFR § 80.1401 et seq., we believe that EPA is not required under law to assure that all feedstock processing and renewable fuel production activities are performed at a single facility in order to qualify for RIN generation. Compliance concerns that may arise from the processing of renewable biomass feedstocks at a location other than that of final fuel production should be managed appropriately through pathway definitions, reporting and recordkeeping requirements, and a quality assurance program (QAP) that accounts for and certifies compliance with feedstock and process lifecycle analysis (LCA) requirements.

The following provides an outline of our findings and presents recommended steps for EPA to approve the registration of pathways, without new rulemaking, for the processing of "renewable biomass" feedstocks into renewable crudes or other intermediate products and for the production of "renewable fuel" either co-located at the producer's facility or at different locations.

Findings

I. NPRM Asserts That Co-Location of Processes is Required to Generate RINs:

In Section II.B.1. of the 2014 Renewable Fuel Standards NPRM, EPA describes the production processes of several potential domestic producers of cellulosic biofuels with approved pathways. In describing Sweetwater Energy's conversion process whereby

1

cellulosic biomass is converted into cellulosic sugars at a facility and then transported to another facility where they are converted into renewable fuels or chemicals, EPA stated the following:

At this time, however, cellulosic RINs would not be able to be generated for any fuel produced using Sweetwater Energy's cellulosic sugars *since the existing RFS registration regulations were not designed to allow the subdivision of processes between multiple facilities.* Until this is resolved, fuel production processes of this type will not be able to generate RINs. [Emphasis added.]

Based on the foregoing, it appears that EPA has adopted the unsupported view that producers of renewable fuel would not be able to generate RINs on their renewable fuel if their feedstock conversion processes occurred at more than one site.

II. RFS Does Not Require Co-Location of Production Processes

We have found no support under the Renewable Fuel Standard, Section 211(o) of the CAA, 42 USC § 7545(o), as implemented by 40 CFR § 80.1401 *et seq.*, for EPA's assertion that processing and production activities be co-located at the same "facility" to qualify for RIN generation.

A. The critical definitions of "renewable fuel" and "renewable biomass" under 40 CFR § 80.1401, and RIN provisions, 40 CFR § 80.1426, as well as the other provisions therein, do not impose any such restrictions.

Although the term "facility" is defined as "all of the activities and equipment associated with the production of renewable fuel starting from the point of delivery of feedstock material to the point of final storage of the end product, which are located on one property, and are under the control of the same person (or persons) under common control," this term was included in the original RFS2 regulations to set parameters for baseline volumes of LCA-exempted renewable fuel production at grandfathered plants (those exempt from the 20% GHG reduction requirements). See 75 Fed. Reg. 14670, 14688 (March 26, 2010) The term "facility" does not affect the qualification for feedstock adaptation and renewable fuel production by renewable fuel producers for facilities that are not grandfathered.

- B. EPA recognizes that certain feedstock-to-fuel pathways require pre-treatment and multi-transport activities which are not co-located at the final fuel production facility:
 - i. EPA recognizes the role of renewable crudes and its regulations do not require the production of renewable crudes at the same facility as the ultimate, RINgenerating renewable fuel refinery. EPA discussed liquid renewable crudes in RFS1 rules (aka, "biocrudes," from RFS1), and incorporated and expanded the RFS1 analysis under the RFS2 rules. 75 Fed. Reg. 14,714.
 - ii. The RFS1 rulemaking provides insight into EPA recognition of the role of renewable crudes as qualifying renewable feedstocks. EPA anticipated that renewable crudes would be blended and refined to make gasoline and diesel:

Renewable fuel as defined, may be made from a number of different types of feedstocks. For example, the Fisher-Tropsch process can use methane gas from landfills as a feedstock, to produce diesel or gasoline. Vegetable oil made [[Page 23915]] from oilseeds such as rapeseed or soybeans can be used to make biodiesel or renewable diesel. Methane, made from landfill gas (biogas) can be used to make methanol, or can be used directly as a fuel in vehicles with engines designed to run on compressed natural gas. Also, some vegetable oils or animal fats can be processed in distillation columns in refineries to make gasoline; as such, the renewable feedstock serves as a "renewable crude," and the resulting gasoline or diesel product would be a renewable fuel. . . . As this discussion shows, the definition of renewable fuel in the Act is broad in scope, and covers a wide range of fuels. 72 Fed. Reg. 23,900, 23,915 (May 1, 2007)

iii. EPA has further provided as follows:

Under RFS1, we created a provision to address the co-processing of "renewable crudes" along with petroleum feedstocks to produce a gasoline or diesel fuel that is partially renewable. See 40 CFR 80.1126(d)(6). However, this provision would not apply in cases where either the renewable feedstock or the fossil fuel feedstock is a gas (e.g., biogas, natural gas) or a solid (e.g., biomass, coal). Therefore, we are eliminating the RFS1 provision applicable only to liquid feedstocks and replacing it with a more comprehensive approach that will apply to liquid, solid, or gaseous feedstocks and any type of conversion process. 75 Fed. Reg. 14,714.

iv. EPA also recognizes scenarios with multi-transport of, and multi-process activities for, renewable biomass in many different processes with various feedstocks (*e.g.*, fatty acids, crude degummed soybean, bleached and deodorized palm oil and landfill gas). In discussing the harvest and transport costs for woody biomass, EPA stated that

the smaller branches and smaller trees proposed to be used for biofuel production are not collected for their lumber so they are normally left behind. Thus, this forest residue would have to be collected and transported out of the forest, and then most likely chipped before transport to the biofuel plant. 75 Fed. Reg. 14,818.

III. New Rulemaking Not Necessary

EPA has approved a pathway for renewable gasoline and cellulosic diesel, and can work within existing authority without new rulemaking to assign RINs on these drop-in transportation fuels within an existing pathway. This approach is applicable to the preprocessing of algae at one site and the refining of algal oils into transportation fuels at a second location. Likewise, other renewable fuels, including those derived from renewable crudes, may require pre-processing at multiple locations.

- A. With regard to renewable gasoline and cellulosic diesel, EPA recognizes a path to approve a co-processing scenario whereby (1) producing renewable gasoline from cellulosic renewable biomass and applying catalytic pyrolysis, and upgrading, and (2) the production of cellulosic diesel from cellulosic biomass through "any" process. Neither pathway requires further rulemaking for the generation of RINs. 40 CFR § 80.1426, Table 1, as amended, 78 Fed Reg. 14,190 (March 5, 2013).
- B. EPA has acknowledged that it would be approve additional pathways without conducting a full rulemaking:

For some fuel pathways with unique modifications or enhancements to production technologies in pathways otherwise modeled for the regulations listed today, EPA may be able to evaluate the pathway as a reasonably straightforward extension of our current assessments. In such cases, we would expect to make a decision for that specific pathway *without conducting a full rulemaking process*. We would expect to evaluate whether the pathway is consistent with the definitions of renewable fuel types in the regulations, *generally without going through rulemaking*, and issue an approval or disapproval that applies to the petitioner. We anticipate that we will subsequently propose to add the pathway to the regulations. *See*, 75 Fed. Reg. 14,861 (discussing existing and future renewable fuel pathways in Table 1, 80.1426.) [Emphasis added.]

EPA noted that a pathway proponent could submit a petition for a "unique biofuel production facility configurations, operations, or co-product pathways that could result in greater efficiencies than the pathways modeled for this rulemaking, but otherwise do not differ greatly from the modeled fuel pathways. In such cases, we would expect to make a decision for that specific pathway without conducting a full rulemaking process." 75 Fed. Reg. 14,797.

In its discussion of GHG modeling, EPA noted that additional "modeling and data sources used to determine the GHG emissions of other stages in the biofuel lifecycle include studies and data on the distance and modes of transport needed to ship feedstock from the field to the biofuel processing facility and the finished biofuel from the facility to end use. These distances and modes are used to develop amount and type of energy used for transport which is combined with GREET factors to generate GHG emissions." 75 Fed Reg. 14770.

It is clear that the additional transport arising from the shipment of processed feedstock to a refining facility may be properly accounted for based on existing modeling. Thus, the additional GHG emissions that may be attributed to transport between feedstock and fuel processing of production may already be accounted for in existing pathway determinations or through a determination by EPA without new rulemaking.

C. The distinction between chemical and physical pre-processing of "renewable biomass" is not relevant as long as the processes are properly accounted for in the pathway definition.

IV. RFS Reporting and Recordkeeping Requirements and an Approved Quality Assurance Plan Program (QAP) Assure Integrity of "Renewable Fuel"

Existing pathway determinations and the reporting/recordkeeping and enforcement provisions in the RFS provide EPA with the tools necessary to assure compliance with feedstock (renewable biomass) and lifecycle GHG analysis requirements. Any additional assurances to satisfy EPA enforcement concerns over the integrity of the renewable biomass and production processes, including transport, can be managed responsibly in a OAP.

- A. Currently the producer of the renewable fuel is responsible for certifying the authenticity and compliance of the renewable biomass. The RFS2 rules provide for the tracking and accounting for the integrity of "renewable biomass" pre-processing at a location different from fuel production. For example, these registration, reporting and recordkeeping provisions provide EPA with an existing rationale (*i.e.*, not new rulemaking) to assure veracity of the renewable biomass:
 - i. 80.1450 (b)(2) requires Engineering Reviews containing third party verification of the use of "renewable biomass" for production of qualifying fuel/RINs.
 - ii. 80.1450 (b)(1)(vii)(A), (vii)(B), and (viii), respectively, require Separated Yard Waste, Food Waste, and MSW Plans that identify feedstock suppliers, contact information, and the segregation and treatment of all materials.
 - iii. 80.1450 (b)(1)(iv) requires Process Heat Supply Plans that list process heat fuels and their suppliers, with additional provisions for biogas used for process heat.
 - iv. NPRM dated May 21, 2013 RFS Pathways II proposes that for the biogas to CNG pathway registrations, all facilities must supply contracts that "track the biogas...from its original source, to the producer that processes it into renewable fuel and finally to the end user that will actually use the... renewable fuel".
 - v. 80.1451(b)(1)(ii)(K),(L),(O), respectively, require the reporting of types and quantities of feedstocks used, the processes used and proportion of renewable volume attributable to each feedstock, and a list of the RINs generated and an affirmation that the feedstock(s) used for each batch meets the definition of renewable biomass.
 - vi. 80.1451(d)(1)-(3), respectively, require producers using cropbased feedstocks from outside the U.S. or Canada to report

geographical boundaries of applicable cropland, the history of the land and the quantity of feedstocks derived from such land.

- vii. 80.1454 (d)(1)(ii) requires producers to maintain purchase contracts, invoices, bills of lading, product transfer documents or other commercial documents for feedstock (renewable biomass) and chain of custody from biomass production site to renewable fuel production facility.
- B. A number of checkpoints already exist within EMTS requiring any transacting party to swear to statements assuring the validity of the actions taken therein, prior to confirmation and ultimate submission of said transactions. For any transactions involving the generation, purchase, sale, separation, or retirement of RINs in EMTS, a final confirmation that all of the information submitted is both accurate and correct is required, and for RIN generation transactions, EMTS requires that RIN generator to clearly assert that the feedstock being used qualifies under the definition of renewable biomass per 40 CFR § 80.1401, an assertion supported by the recordkeeping requirements under § 80.1454 and the reporting requirements under § 80.1451.
- C. The proposed QAP program will provide third party verification of all production processes, including processes that involve feedstocks produced at a location distinct from final fuel production. Such a plan would include, but not be limited to, the following components:
 - i. A site visit by a third party independent Professional Engineer to the preprocessing location to verify that all incoming feedstocks meet the definition of "renewable biomass" and that the processing is taking place as described in the facility's Engineering Review document.
 - ii. Mass and Energy balance calculations that include the pre-processing location.
 - iii. Documentation concerning the transport of the renewable biomass, processed or not, to the end renewable fuel producer/RIN generating facility.

Conclusion and Recommendations

Based on EPA's own regulatory history and guidelines, there is clear and convincing support for the following:

- 1) The RFS does not require all feedstock processing and renewable fuel production activities to occur at the same facility in order to produce valid renewable fuel and RINs.
- 2) A rulemaking is not necessary to allow for the generation of RINs under existing

- pathways for renewable fuels where processing of renewable biomass may occur at more than one location.
- 3) Existing pathway definitions and RFS reporting and recordkeeping requirements along with a QAP will ensure the integrity of renewable fuel produced and RINs generated in this manner.

From: Michael.McAdams@hklaw.com
Sent: Tue 3/11/2014 4:18:14 PM

Subject: Re: Intermediate feedstock discussion

I was thinking you karl and byron. Shouls I ask sor chris. Just as easy to go to ann arbour for most of these guys.

Sent using BlackBerry

From: Argyropoulos, Paul [mailto:Argyropoulos.Paul@epa.gov] **Sent**: Tuesday, March 11, 2014 12:10 PM Eastern Standard Time

To: McAdams, Michael J (WAS - X75140) **Subject**: RE: Intermediate feedstock discussion

Hi Mike,

You are still interested in meeting with Chris, correct? Chris is scheduled to be in Ann Arbor that week so if you wanted a face to face, you'd need to go there. Otherwise we'd need to look at different options.

Thanks, Paul

Paul Argyropoulos

Senior Policy Advisor

US EPA

Office of Transportation and Air Quality

Phone: 202-564-1123

Mobile: 202-577-9354

Email: argyropoulos.paul@epa.gov

Web: www.epa.gov

From: Michael.McAdams@hklaw.com [mailto:Michael.McAdams@hklaw.com]

Sent: Tuesday, March 11, 2014 9:59 AM

To: Argyropoulos, Paul

Subject: Intermediate feedstock discussion

Paul: We are having are pre call on the issue brief we sent you all in December. I am looking at the week of March 24th and wanted to check whether we could make the meeting either the 26th or 27th. I am suspecting we will have at least 5 impacted companies who will fly to DC to participate. Your thoughts, thanks.

I saw the new pathway piece, glad to see the ball keep rolling down hill. All the best,

Michael McAdams | Holland & Knight

President, ABFA
Sr Policy Advisor
800 17th Street, NW Suite 1100 | Washington DC 20006
Phone 202.469.5140 | Fax 202.955.5564
michael.mcadams@hklaw.com | www.hklaw.com

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From: Larry Schafer

Sent: Tue 3/11/2014 4:13:50 PM

Subject: FYI ... Meeting Request from the National Biodiesel Board

Paul,

Below is the email exchange between the Administrator's Office and the NBB.

It was good seeing you this morning.

Thanks

Larry Schafer

National Biodiesel Board

O: 202.737.8801

M: 202.997.8072

LSchafer@Biodiesel.org

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1331 Pennsylvania Ave. NW

Suite 505

Washington DC 20004

From: Kirsten Skala [mailto:kskala@biodiesel.org]

Sent: Tuesday, March 11, 2014 9:30 AM

To: Rivera, Keylin

Subject: RE: Meeting Request from the National Biodiesel Board

Hi Keylin,

Thank you for responding in a timely manner. We greatly appreciate Administrator McCarthy's time and consideration.

In response to your follow-up questions, NBB would like to discuss the 2014 and 2015 RVO for Biomass-based Diesel and the 2014 RVO for Advanced Biofuels.

We don't expect that Administrator McCarthy will have all the answers for us as the EPA continues to evaluate its proposed rule and discuss the RFS with stakeholders.

However, the biodiesel industry produced more than 90% of all Advanced Biofuels and approximately 2.76 billion RINs in 2013 (1.78 billion gallons x 1.55 RIN value = 2.759 Billion Advanced RINs) and as a major stakeholder would like the opportunity for our Governing Board to meet directly with you about the impacts of future EPA decisions relating to the RFS.

Meeting attendees will include:

NBB Governing Board Members

Steven Levy, Chairman

Managing Director, Sprague Operating Resources LLC

Ron Marr, Vice-Chair

Manager/Biodiesel, Minnesota Soybean Processors

Mike Cunningham

Director, American Soybean Association

Greg Anderson

Ex-Officio, Nebraska Soybean Board

Gary Haer

Vice President of Sales and Manufacturing, Renewable Energy Group, Inc. (REG)

Jennifer Case

CEO, New Leaf Biofuel, LLC

Todd Ellis

Vice President of Sales and Business Development, Imperium Renewables Inc.

Kent Engelbrecht
Biodiesel Trade Manager, Archer Daniels Midland (ADM)
Brandon Foley
Vice-President, U.S. Procurement, Leather, Energy and Emerging Market, Sanimax Energy
Ed Hegland
Farmer/Owner, Minnesota Soybean Research & Promotion Council
Timothy Keaveney
Vice President of Sales, Lake Erie Biofuels dba HERO BX
Bob Metz
Farmer/Owner, South Dakota Soybean Research & Promo Council
Robert Stobaugh
Farmer/Owner, Arkansas Soybean Promotion Board
Ed Uich
Farmer, Owner, Iowa Soybean Association
John Wright
Executive Vice President, Owensboro Grain Company
NBB Staff:
Joe Job, CEO
Anne Steckel, Vice President of Federal Affairs
Lindsay Fitzgerald, Director of Regulatory Affairs
Larry Schaffer, Senior Advisor
Please do not hesitate to contact me if you need any additional information. We look forward to hearing from you.
Best Regards,
Kirsten

From: Rivera, Keylin [mailto:Rivera.Keylin@epa.gov]

Sent: Monday, March 10, 2014 12:25 PM

To: Kirsten Skala

Subject: RE: Meeting Request from the National Biodiesel Board

Good afternoon Kirsten,

Thank you so much for your request to meet with Administrator McCarthy. This invitation has been received and is currently under consideration in our review process.

In the interim, we ask that you please share the topics to be discussed in the meeting as well as a list of participants that would attend.

I will be in touch as soon as a decision has been made regarding whether or not the Administrator's schedule can accommodate this meeting.

Please do not hesitate to contact me if you have further questions.

Best,

Keylin Rivera

Scheduler to Administrator Gina McCarthy

Office of the Administrator

Desk: 202-564-1008

Cell: 202-577-7052

Rivera.Keylin@epa.gov

From: Kirsten Skala [mailto:kskala@biodiesel.org]

Sent: Friday, March 07, 2014 10:38 AM

To: Herckis, Arian; scheduling

Cc: Anne Steckel; Steven J. Levy (slevy@spragueenergy.com) Subject: Meeting Request from the National Biodiesel Board



National Biodiesel Board | National Biodies PO 80x 104898 Suite 505 Jefferson City, MO 65110-4898 Washington, DC 2 (800) 841-5849 phone (202) 737-8801 ph (573) 635-7913 fax www.biodiesel.org

605 Clark Ave. 1331 Pennsylvanis

March 7, 2014

Mrs. Gina McCarthy

Administrator

U.S. Environmental Protection Agency

William Jefferson Clinton Federal Building

1200 Pennsylvania Ave, NW

Washington, DC 20460

Subject: Meeting Request from the National Biodiesel Board

Dear Administrator McCarthy:

I'm writing in my role as Chairman of the National Biodiesel Board (NBB), the national trade association representing the biodiesel industry in the United States. Our governing board consists of 15 elected members representing a diverse group of feedstock suppliers, producers, marketers and blenders spanning from California to New York.

As you know, biodiesel is the first EPA-designated Advanced Biofuel to be produced on a commercial scale across the country. Using an increasingly diverse mix of resources, including recycled cooking oil, soybean oil and animal fats; the industry set a new record last year with nearly 1.8 billion gallons of production. Each gallon delivered greenhouse gas emissions reductions of 57 percent to 86 percent compared to petroleum diesel.

Three weeks ago NBB filed comments regarding our strong concerns regarding the EPA's 2014 Renewable Fuel Standard proposal. In our comments we specifically requested the following:

- 1. 2014 volume for Biomass-based Diesel of at least 1.7 billion gallons
- 2. 2015 volume for Biomass-based Diesel of at least 2.1 billion gallons
- 3. 2014 volume for Advanced Biofuels at the statutory level of 3.75 billion gallons (ethanol equivalent gallons)

We appreciate your Administration's support of Advanced biofuels. While we anticipate that there is a great deal of hard work left to do to arrive at the appropriate volume requirements, we want to help you and your team better understand the impacts on the Biomass-based Diesel sector.

The Governing Board will be meeting in Washington DC from Monday, March 17th through Wednesday, March 19th and we would be honored if you would meet with us briefly to discuss our industry and RFS2 volumes. I look forward to your response.

Sincerely,

Steven J. Levy

National Biodiesel Board Chairman

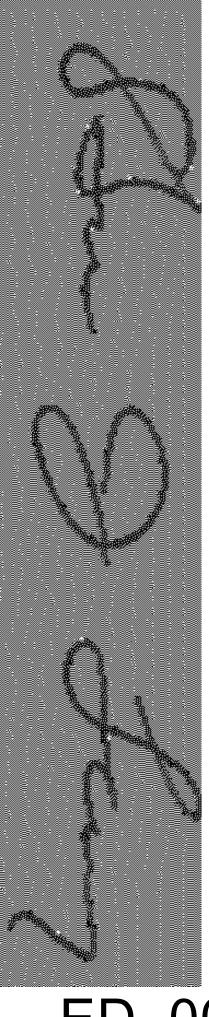
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www.nbb.ora



Mational Blodiese Board

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From: Michael.McAdams@hklaw.com
Sent: Tue 3/11/2014 1:58:51 PM
Subject: Intermediate feedstock discussion

Paul: We are having are pre call on the issue brief we sent you all in December. I am looking at the week of March 24th and wanted to check whether we could make the meeting either the 26th or 27th. I am suspecting we will have at least 5 impacted companies who will fly to DC to participate. Your thoughts, thanks.

I saw the new pathway piece, glad to see the ball keep rolling down hill. All the best,

Michael McAdams | Holland & Knight

President, ABFA
Sr Policy Advisor
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From: Larry Schafer

Sent: Tue 3/11/2014 12:38:22 PM

Subject: RE: Any break s in your schedule this week?

I am at my desk ... will head to Marriott at 9 ...

Larry Schafer

National Biodiesel Board

O: 202.737.8801

M: 202.997.8072

LSchafer@Biodiesel.org

Mar and their last start was start was mad their start that year start start and their start start start

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1331 Pennsylvania Ave. NW

Suite 505

Washington DC 20004

From: Argyropoulos, Paul [mailto:Argyropoulos.Paul@epa.gov]

Sent: Monday, March 10, 2014 3:04 PM

To: Larry Schafer

Subject: RE: Any break s in your schedule this week?

9ish

Senior Policy Advisor
US EPA
Office of Transportation and Air Quality
Phone: 202-564-1123
Mobile: 202-577-9354
Email: argyropoulos.paul@epa.gov
Web: www.epa.gov
From: Larry Schafer [mailto:lschafer@dcdiamondgroup.com] Sent: Monday, March 10, 2014 2:58 PM To: Argyropoulos, Paul Subject: RE: Any break s in your schedule this week?
I am open what time works for u.
Larry Schafer
t: 202.997.8072

On Mar 10, 2014 2:22 PM, "Argyropoulos, Paul" < <u>Argyropoulos.Paul@epa.gov</u> > wrote:
Tomorrow morning.
Paul Argyropoulos
Senior Policy Advisor
US EPA
Office of Transportation and Air Quality

Paul Argyropoulos

Phone: 202-564-1123

Mobile: <u>202-577-9354</u>

Email: argyropoulos.paul@epa.gov

Web: www.epa.gov

From: Larry Schafer [mailto:lschafer@dcdiamondgroup.com]

Sent: Monday, March 10, 2014 1:17 PM

To: Argyropoulos, Paul

Subject: Any break s in your schedule this week?

Larry Schafer

t: 202.997.8072

From: Jonathan Birdsong
Sent: Tue 3/4/2014 6:33:12 PM

Subject: RE: Sorghum pathway and woodchips

Great - Let's book 11:00 on Thursday. I will provide the call in number.

From: Argyropoulos, Paul [mailto:Argyropoulos.Paul@epa.gov]

Sent: Tuesday, March 04, 2014 1:01 PM

To: Jonathan Birdsong

Subject: RE: Sorghum pathway and woodchips

Jonathan,

The only time available is 11 to 11:30. If that works, put a temporary hold on the calendar. If not, we'll have to push to a later date. Given the weather, a lot of our schedules have been compressed and the 2 people I'd like on the call have very limited availability.

Thanks, Paul

Paul Argyropoulos

Senior Policy Advisor

US EPA

Office of Transportation and Air Quality

Phone: 202-564-1123

Mobile: 202-577-9354

Email: argyropoulos.paul@epa.gov

Web: www.epa.gov

From: Jonathan Birdsong [mailto:jbirdsong@bwstrategies.com]

Sent: Tuesday, March 04, 2014 11:37 AM

To: Argyropoulos, Paul

Subject: Re: Sorghum pathway and woodchips

Checking in on the potential for a call on Thursday.

Thanks,

Jonathan Birdsong

BlueWater Strategies

400 North Capitol St., NW - Suite 475

Washington, DC 20001

(202) 589-1757 - Direct

(202) 491-5559 - Cell

jbirdsong@bwstrategies.com

On Mar 1, 2014, at 8:20 AM, "Jonathan Birdsong" < jbirdsong@bwstrategies.com > wrote:

Paul -

Thanks so much for your time on Wednesday. If you and your team have time for a call on Thursday, March 6th at 1:00 p.m. EST to have a call with Chemtex, that would be great.

Again, thanks for everything and I look forward to hearing if this time works for you and your team.

Jonathan

From: Argyropoulos, Paul [Argyropoulos.Paul@epa.gov]

Sent: Tuesday, February 25, 2014 3:51 PM

To: Jonathan Birdsong

Subject: RE: Sorghum pathway and woodchips

Hi Jonathan. I checked with some other key people on our team and unfortunately, we are slammed. You and I can chat tomorrow (how about the morning) on the other questions and then we can look for a time to get on the phone with the Chemtex people sometime next week.

Thanks, Paul
Paul Argyropoulos
Senior Policy Advisor
US EPA
Office of Transportation and Air Quality
Phone: 202-564-1123
Mobile: 202-577-9354
Email: argyropoulos.paul@epa.gov
Web: www.epa.gov
From: Jonathan Birdsong [mailto:jbirdsong@bwstrategies.com] Sent: Monday, February 24, 2014 10:49 AM To: Argyropoulos, Paul Subject: RE: Sorghum pathway and woodchips
Hi Paul –
Just checking to see if the times proposed below work for you. If not, let's be sure to schedule some time for a call.
Thanks!
Jonathan

From: Jonathan Birdsong

Sent: Friday, February 21, 2014 5:24 PM

To: Argyropoulos, Paul

Cc: Bittleman, Sarah; Grundler, Christopher **Subject:** Re: Sorghum pathway and woodchips

Paul -

An executive from Chemtex will be in town next week. Perhaps we could meet you in your office Wednesday afternoon or Thursday morning to discuss in person? Let me know if that would work for you.

Again, thanks!

Jonathan Birdsong

BlueWater Strategies

400 North Capitol St., NW - Suite 475

Washington, DC 20001

(202) 589-1757 - Direct

(202) 491-5559 - Cell

jbirdsong@bwstrategies.com

On Feb 21, 2014, at 2:47 PM, "Argyropoulos, Paul" < Argyropoulos. Paul@epa.gov > wrote:

Hi Jonathan.

Why don't you give me a ring next week. I'll give you as much direction as possible.

Thanks, Paul.

From: Jonathan Birdsong < jbirdsong@bwstrategies.com>

Sent: Friday, February 21, 2014 11:29:07 AM

To: Bittleman, Sarah; Argyropoulos, Paul; Grundler, Christopher Subject: Sorghum pathway and woodchips
Sarah, Paul and Chris –
I have a few questions for you that I hope you can answer, or point me in the right direction. We want to be helpful.
1. Where in the process is the review/approval of biomass sorghum as an advanced biofuel?
As you know, in August 2013, a federal register notice was issued (FR notice can be found here , and mention of sorghum is on page 24 of the PDF) which highlighted that EPA was examining new pathways for biomas sorghum, yet EPA has not yet determined, either through rulemaking or approval of an industry petition, a pathway is valid for the generation for advanced biofuel RINs.
Any insight on where the review of the pathway is in the process, or how we can help, would be appreciated.
2. We are a bit confused as to whether the chips of non-merchantable trees from tree plantations are eligible for RIN's. Species of particular interest include red maple, sweet gum and poplar.
It seems that <u>Mascoma Corporation/Frontier Resources</u> has an agreement with the EPA to use non-merchantable hardwood pulpwood as a part of their biofuel feedstock, and we're curious if a similar agreement is applicable in this instance.
3. RFS2 has a clear definition of "tree plantations." However, we cannot find a clear definition of "non-federal forestland." We've looked all over the USDA/Forest Service sites as well as EPA rules, but have yet to find a clear definition. We believe that it means non-plantation forests that are not part of the federal system (read: private forest land in the west, state forest land, etc.), but these lands are typically replanted after harvest, not dissimilar to a tree plantation. Clarification on this would be greatly beneficial.

Thanks so much for your time and assistance. Please call anytime with any questions/comments.

Sincerely,

Jonathan Birdsong

(202) 491-5559 - Cell

(202) 589-=1757 - Office Direct

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From: Jonathan Birdsong
Sent: Tue 3/4/2014 4:37:14 PM

Subject: Re: Sorghum pathway and woodchips

Checking in on the potential for a call on Thursday.

Thanks,

Jonathan Birdsong BlueWater Strategies 400 North Capitol St., NW - Suite 475 Washington, DC 20001 (202) 589-1757 - Direct (202) 491-5559 - Cell jbirdsong@bwstrategies.com

On Mar 1, 2014, at 8:20 AM, "Jonathan Birdsong" < jbirdsong@bwstrategies.com > wrote:

Paul -

Thanks so much for your time on Wednesday. If you and your team have time for a call on Thursday, March 6th at 1:00 p.m. EST to have a call with Chemtex, that would be great.

Again, thanks for everything and I look forward to hearing if this time works for you and your team.

Jonathan

From: Argyropoulos, Paul [Argyropoulos.Paul@epa.gov]

Sent: Tuesday, February 25, 2014 3:51 PM

To: Jonathan Birdsong

Subject: RE: Sorghum pathway and woodchips

Hi Jonathan. I checked with some other key people on our team and unfortunately, we are slammed. You and I can chat tomorrow (how about the morning) on the other questions and then we can look for a time to get on the phone with the Chemtex people sometime next week.

Thanks, Paul

Paul Argyropoulos

Senior Policy Advisor US EPA Office of Transportation and Air Quality Phone: 202-564-1123 Mobile: 202-577-9354 Email: argyropoulos.paul@epa.gov Web: www.epa.gov From: Jonathan Birdsong [mailto:jbirdsong@bwstrategies.com] Sent: Monday, February 24, 2014 10:49 AM To: Argyropoulos, Paul Subject: RE: Sorghum pathway and woodchips Hi Paul -Just checking to see if the times proposed below work for you. If not, let's be sure to schedule some time for a call. Thanks! Jonathan From: Jonathan Birdsong

Sent: Friday, February 21, 2014 5:24 PM To: Argyropoulos, Paul Cc: Bittleman, Sarah; Grundler, Christopher

Subject: Re: Sorghum pathway and woodchips

Paul -

An executive from Chemtex will be in town next week. Perhaps we could meet you in your office Wednesday afternoon or Thursday morning to discuss in person? Let me know if that would work for you.

Again, thanks!

Jonathan Birdsong

BlueWater Strategies

400 North Capitol St., NW - Suite 475

Washington, DC 20001

(202) 589-1757 - Direct

(202) 491-5559 - Cell

jbirdsong@bwstrategies.com

On Feb 21, 2014, at 2:47 PM, "Argyropoulos, Paul" < Argyropoulos. Paul@epa.gov > wrote:

Hi Jonathan.

Why don't you give me a ring next week. I'll give you as much direction as possible.

Thanks, Paul.

From: Jonathan Birdsong < jbirdsong@bwstrategies.com>

Sent: Friday, February 21, 2014 11:29:07 AM

To: Bittleman, Sarah; Argyropoulos, Paul; Grundler, Christopher

Subject: Sorghum pathway and woodchips

Sarah, Paul and Chris -

I have a few questions for you that I hope you can answer, or point me in the right direction. We want to be helpful. 1. Where in the process is the review/approval of biomass sorghum as an advanced biofuel? As you know, in August 2013, a federal register notice was issued (FR notice can be found here, and mention of sorghum is on page 24 of the PDF) which highlighted that EPA was examining new pathways for biomas sorghum, yet EPA has not yet determined, either through rulemaking or approval of an industry petition, a pathway is valid for the generation for advanced biofuel RINs. Any insight on where the review of the pathway is in the process, or how we can help, would be appreciated. 2. We are a bit confused as to whether the chips of non-merchantable trees from tree plantations are eligible for RIN's. Species of particular interest include red maple, sweet gum and poplar. It seems that Mascoma Corporation/Frontier Resources has an agreement with the EPA to use non-merchantable hardwood pulpwood as a part of their biofuel feedstock, and we're curious if a similar agreement is applicable in this instance. 3. RFS2 has a clear definition of "tree plantations." However, we cannot find a clear definition of "non-federal forestland." We've looked all over the USDA/Forest Service sites as well as EPA rules, but have yet to find a clear definition. We believe that it means non-plantation forests that are not part of the federal system (read: private forest land in the west, state forest land, etc.), but these lands are typically replanted after harvest, not dissimilar to a tree plantation. Clarification on this would be greatly beneficial. Thanks so much for your time and assistance. Please call anytime with any questions/comments.

Sincerely,

Jonathan Birdsong

(202) 491-5559 - Cell

(202) 589-=1757 - Office Direct

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Version: 2014.0.4335 / Virus Database: 3705/7120 - Release Date: 02/24/14

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Checked by AVG - www.avg.com

Version: 2014.0.4335 / Virus Database: 3705/7120 - Release Date: 02/24/14

From: Jonathan Birdsong
Sent: Sat 3/1/2014 1:20:45 PM

Subject: RE: Sorghum pathway and woodchips

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Paul Argyropoulos

Senior Policy Advisor

US EPA

Office of Transportation and Air Quality

Phone: 202-564-1123

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Version: 2014.0.4335 / Virus Database: 3705/7120 - Release Date: 02/24/14

To: Argyropoulos, Paul[Argyropoulos.Paul@epa.gov]; Lie, Sharyn[Lie.Sharyn@epa.gov];

Korotney, David[korotney.david@epa.gov]

Cc: David DeRamus[david.deramus@bateswhite.com];

marc.chupka@brattle.com[marc.chupka@brattle.com]; Lindsay Fitzgerald[lfitzgerald@biodiesel.org];

Anne Steckel[asteckel@biodiesel.org]; aweber@marciv.com[aweber@marciv.com]

From: Larry Schafer

Sent: Thur 2/27/2014 10:41:31 PM

Subject: Biodiesel Carbon Analysis Support Files

DESCRIPTION of Carbon Analysis Support Files Jan 2014.docx

ATT00001.txt

Jacobsen Feedstock Prices 2011 to 2013.xlsx

Overview of WAEES Model.pdf

Reassessment of life cycle greenhouse gas emissions for soybean biodiesel (4).pdf

dgd-sum-120112.pdf

d1-15biodieselprofitability.xlsx

2010-3851.pdf

Biodiesel GHG Summary.xlsx

2014.01.15 FINAL VERSION OF CALCULATIONS.xlsx

15day-cornoil-bd-sum-022112.pdf

EIA Biodiesel Production Report Oct 2013 Data copy.pdf

Paul, Sharyn, David:

It was great meeting you and the rest of the EPA team last week. As discussed, attached are the support files for our analysis; apologies for the large size, but some of the PDFs are a bit big, and I thought you would find it helpful to have them all in one place. The shortcut/summary of our calculations is "2014.01.15 Final version of calculations.xls". Feel free to call if you have any questions or want to discuss further.

If you have questions or comments, then please let me know.

Thanks

Larry Schafer National Biodiesel Board O: 202.737.8801 M: 202.997.8072 LSchafer@Biodiesel.org

Biodiesel - America's Advanced Biofuel! www.americasadvancedbiofuel.com

1331 Pennsylvania Ave. NW Suite 505 Washington DC 20004

Carbon Analysis Support Files

<u>Greenhouse Gas Emissions</u>. These files provide the background support data that were utilized to calculate GHG reductions from various feedstock pathways (relative to petroleum diesel). The EPA final rule was the basis for most calculations. "Best available data" calculations included more recent work by USDA/University of Idaho, the CARB distillers corn oil pathway, and the CARB renewable diesel pathway. Files include the following:

- 2010-3851.pdf
- Reassessment of life cycle greenhouse gas emissions for soybean.pdf
- 15day-cornoil-bd-sum-022112.pdf
- dgd-sum-120112.pdf
- Biodiesel GHG Summary.xls.

Feedstock Utilization and Pricing. These files document the feedstocks utilized to produce biodiesel in the United States. The information from U.S. DOE-EIA is for the domestic biodiesel industry. There is no public information for feedstock utilization by renewable diesel producers. However, industry stakeholders provided input that only three (3) types of feedstock are currently utilized; animal fats, yellow grease, and distillers corn oil. Feedstock pricing information is from The Jacobsen, a fee based subscription service. Files include the following:

- EIA Biodiesel Production Report Oct 2013 Data copy.pdf
- Jacobsen Feedstock Prices 2011 to 2013

<u>Biodiesel Production Costs</u>. These files include the 3rd party production cost model from Iowa State University and a summary of both the GHG and cost calculations prepared by Bates White. In addition, an overview of the WAEES model utilized to forecast two scenarios in 2014 is available. Files include the following:

- D1-15biodieselprofitability.xlsx
- 2014.01.15 FINAL VERSION OF CALCULATIONS.xlsx
- Overview of WAEES Model. Pdf